

RESPONSIBLE LOBBYING CONSULTATION: RESULTS

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BACKGROUND

In 2020 AP7, BNP Paribas Asset Management and the Church of England Pensions Board partnered with Chronos Sustainability Ltd to drive the next steps on responsible climate change lobbying.

Our intention is to develop a framework that will assist investors and other stakeholders in assessing whether and to what extent corporate lobbying is aligned with the goals of the Paris Agreement on Climate Change.

As part of this process we sought perspectives from a variety of global stakeholder who are involved in or in some way affected by the shaping, delivery and impact of corporate lobbying practices.

THE ONLINE CONSULTATION



**RAN JUNE UNTIL
LATE JULY 2020**

**117 participants
from 18 countries
submitted responses**



ABOUT THE CONSULTATION

To assist in the development of a corporate climate change lobbying framework, we sought stakeholder feedback on the following issues:

- The definition of climate lobbying
- The scope of the framework:
(a) tactics and practices, (b) actors and institutions
- The guiding principles for responsible climate change lobbying
- Key stakeholders and their role in the lobbying process

Measurement and scope:



What are characteristics of a company that is committed to responsible climate change lobbying?



What are the key (3 to 5) metrics or performance measures that could be used to assess a company's practices and performance on climate change lobbying?



What are the key features of lobbying in your country or region?



Are there other factors we should build into a framework to assess responsible climate change lobbying?



KEY FINDINGS

There was **majority support** for the Paris-aligned definition of corporate climate lobbying

67% of respondents supported the definition, including a similar proportion of corporate and investor voices, & similar support across different geographies

There was **divergence** between corporate voices & other respondents on the perceived influence of industry associations on public policy, and also on the influence of meetings with legislative actors

There was some **regional variation** in views

Respondents in Australia and North America tended to perceive both industry associations & meetings with governing or opposition parties as significantly more influential than respondents in Europe



NEXT STEPS

Between now and the end of 2020, we will:

- Develop a framework to allow investors and other stakeholders to assess whether corporate lobbying is aligned with the goals of the Paris Agreement on Climate Change.
- Publish a briefing note explaining how the findings from this consultation have informed the framework.
- Publish a collaborative statement enabling stakeholders to signal their support for the responsible lobbying framework.
- Publish a technical briefing paper summarising the academic and practitioner lobbying on responsible climate change lobbying.

If you have questions after reading this document or are interested in contributing to the next steps, please visit:

www.climate-lobbying.com

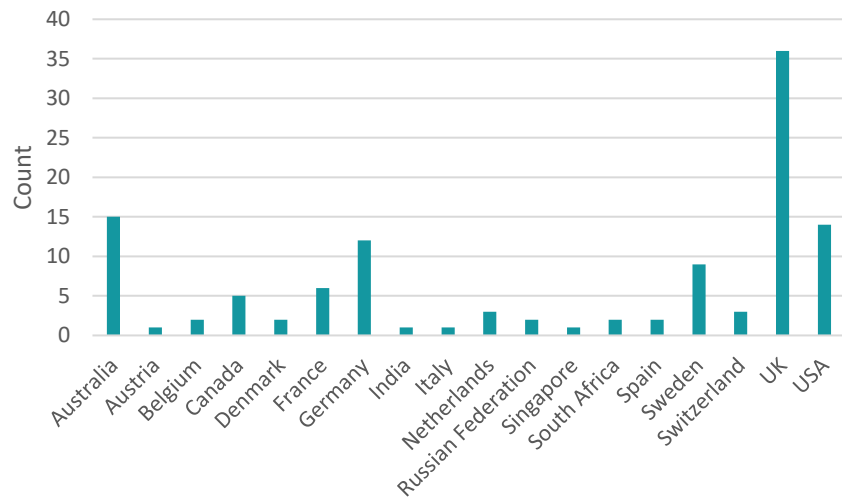


RESPONSES IN DETAIL

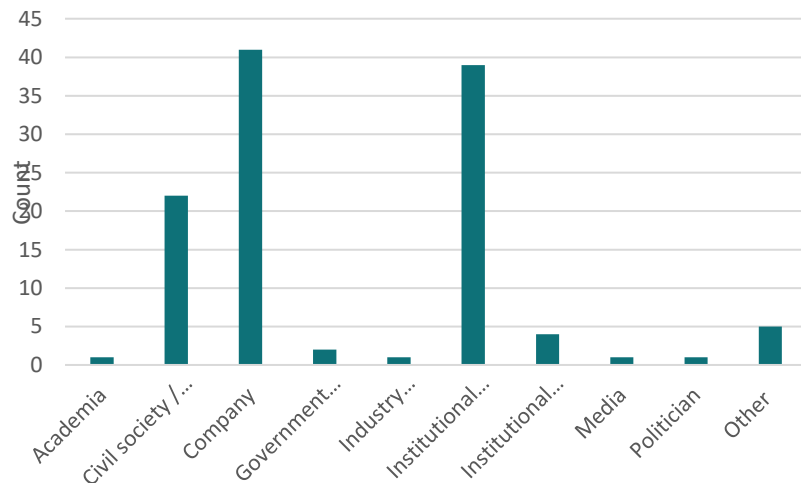


RESPONDENT INFORMATION

In what region do you work?



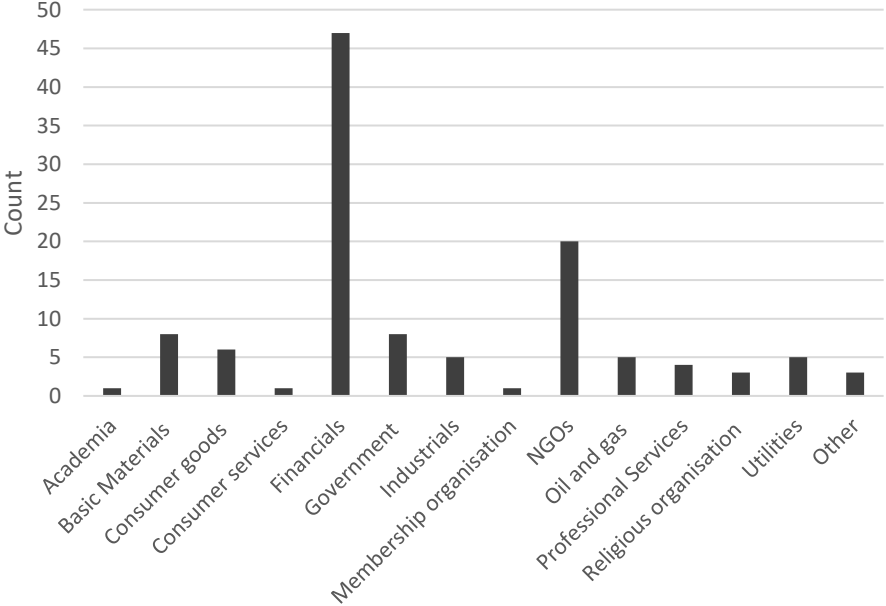
Organisation type



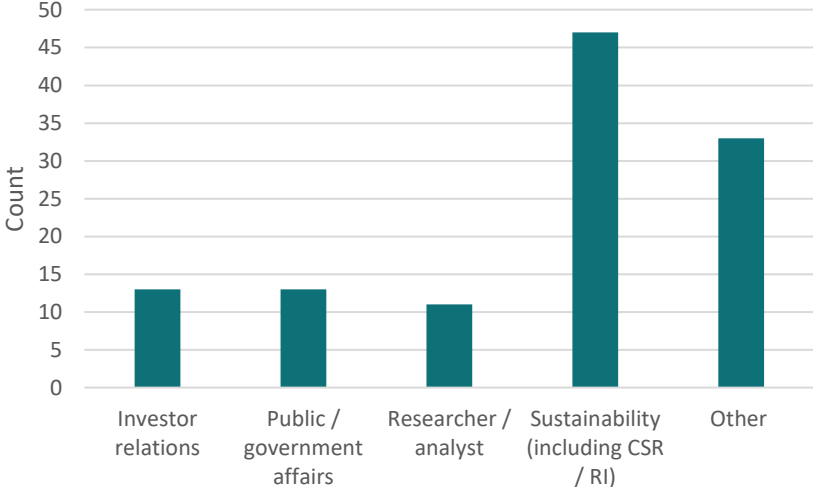
RESPONDENT INFORMATION



Sector / industry



Role / job function



OUR PROPOSALS: DEFINITION OF CLIMATE LOBBYING

Corporate lobbying on climate change comprises activities carried out by corporations or their agents to influence climate-significant policy decision-making by political or bureaucratic actors.

It includes:



Direct lobbying, involving direct contact between the lobbying party and public policy decision-makers



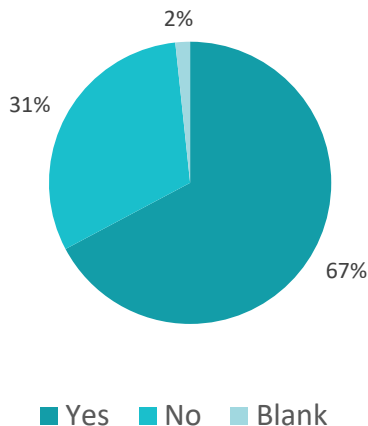
Indirect lobbying, wherein the lobbying party seeks to influence public policy decision-making indirectly by shaping and mobilising public opinion

Climate-significant policy refers to any environmental or non-environmental public policy with non-trivial implications – positive or negative – for realising the goals of the Paris Agreement.



RESPONSES: DEFINITION OF CLIMATE LOBBYING

Do you agree with the proposed definition of climate lobbying?



While there was **strong support for the proposed definition**, respondents raised the following issues:

- 7 respondents answers felt that the proposal definition was not dynamic enough and that we needed to be more explicit about how lobbying is done and by whom.
- 11 respondents suggested that we needed to be clearer about the role played by trade associations, given their importance in climate policy discussions.
- 2 respondents felt the proposed definition was limiting, and that it should be extended to include any government action relating to greenhouse gas (GHG) emissions and the management of climate change. In contrast, 5 respondents felt that the proposed definition was too broad and that it needed to be more explicitly focused on greenhouse gas emissions.
- 7 respondents raised concerns about terminology. Among the points made were:
 - The need to clarify the meaning of “influence” and “non-trivial”.
 - “Indirect lobbying” definition refers only to “shaping public opinion” which is misleading as it includes more than “public” e.g. industry third parties.
 - “Agents” suggests direct (and directional) relationship but used more vaguely
 - “Lobbying” has tight legal definition in some countries. “Policy advocacy” could be a better term.

RESPONSES: LOBBYING AND INFLUENCE

20% of respondents assessed **participation in stakeholder consultations** as having 'low influence' or being 'not at all influential' on public

LEVEL OF
INFLUENCE

88% of respondents assessed **lobbying through membership bodies or trade associations** as 'influential' or 'very influential'

18% assessed **mobilising the public** and 19% assessed **high-profile protests** as having 'low influence' or being 'not at all influential' on public policy

LEVEL OF
INFLUENCE

67% of respondents assessed **funding think tanks, climate sceptic groups and studies** as 'influential' or 'very influential' on public policy



RESPONSES: SCOPE – ACTORS & INSTITUTIONS



85% of respondents perceived **industry associations** as 'very influential' or 'influential'

72% of respondents perceived **alliances/coalitions** as 'very influential' or 'influential'

66% of respondents perceived **individual corporations** as 'very influential' or 'influential'

These results confirm our initial thinking that **collective efforts** – whether through formal associations or informal groupings – have a **strong influence on climate policy**. The consultation suggests that this is true both for **lobbying in support of climate change policy and lobbying that opposes climate change policy**.

Industry/company respondents were much less likely to identify industry associations as influential or very influential than any other stakeholder group (investors, NGOs, policymakers).



RESPONSES: GUIDING PRINCIPLES

In the consultation document we defined responsible lobbying as lobbying that aligns with the Paris Agreement goal of “keeping a global temperature rise this century well below 2 degrees Celsius above pre-industrial levels and to pursue efforts to limit the temperature increase even further to 1.5 degrees Celsius.”

We then sought views on the principles that underpin responsible corporate climate lobbying. For each of the five principles, in terms of being ‘very influential’ or ‘influential’:

- **Accountability** was endorsed by **79%** of the respondents to this question;
- **Transparency** by **77%**;
- **Legitimacy** by **72%**;
- **Consistency** by **71%**;
- **Opportunity** by **61%**.

We also asked whether there were other principles we should refer to. While approximately 15% of respondents offered suggestions, none of these additional proposals were suggested by more than one or two respondents.



RESPONSES: STAKEHOLDERS

Stages of the policy lobbying process in which respondents think it is most relevant that 'very important' and 'important' stakeholders should be involved:

INVOLVEMENT OF
IMPORTANT
STAKEHOLDERS

- **Development of a corporate position & programme on a specific policy issue**
- **Development or review of a corporate policy on lobbying**
- **Review of a specific lobbying activity or of a lobbying programme.**

The following stakeholders were the most frequently identified by respondents as 'very important' or 'important' in shaping corporate lobbying activities:

- **Policymakers/legislators**
- **Investors & other providers of capital**
- **Industry & other associations**
- **Regulatory agencies**



RESPONSES: METRICS

Respondents provided many specific suggestions on the metrics that might be used to assess corporate lobbying on climate change. **We will review and incorporate these when we develop the framework.**

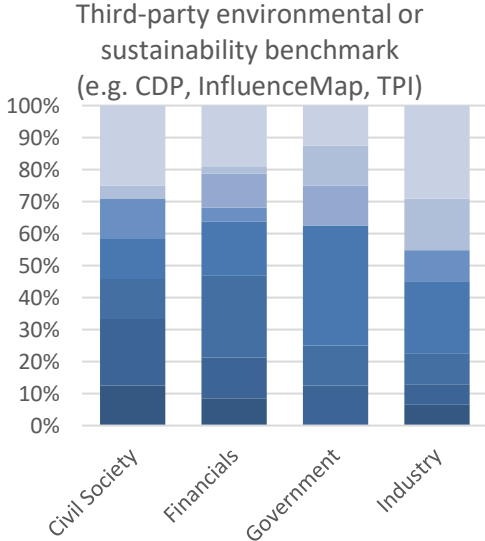
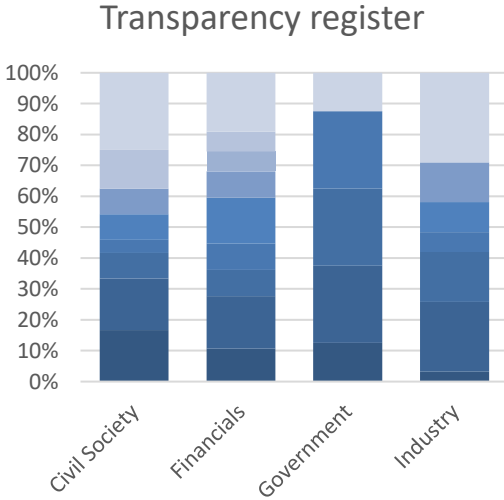
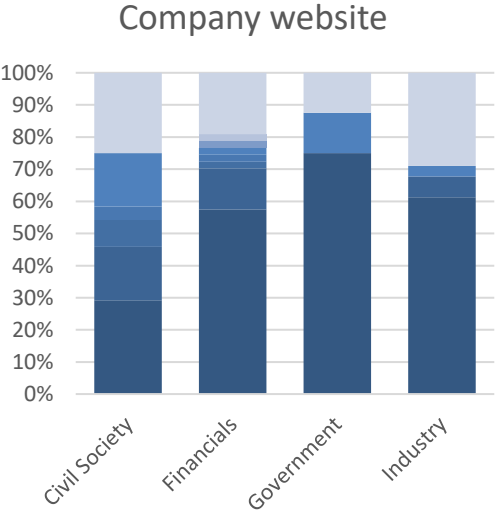
75 of the consultation respondents answered this question. The most commonly identified metrics related to:

- **Public positions on climate change policy** (identified by 49 respondents), covering elements such as corporate policies, corporate codes, and the specificity of the commitments made.
- **Governance of trade associations and other alliances** (43 respondents), including memberships, fees paid, processes to assess and respond to the trade association's climate-related lobbying.
- **Transparency** (34 respondents), including lobbying programmes and participation in consultations and meetings.
- **Lobbying funding and financing** (22 respondents), including political expenditures and payments to lobbying organisations.
- **Consistency and alignment of goals** (20 respondents), including review and governance processes.
- **Internal governance** (14 respondents) including policy oversight and management accountabilities.
- **Third party verification/assessments of the company's lobbying approach** (12 respondents).
- **Relationship to science** (5 respondents), and the alignment of the company's policies with the science of climate change.



RESPONSES: INFORMATION SOURCES

Preferred location of information on lobbying positions and activities (disaggregated by actor group; most popular)



Acknowledgements

Thank you to the respondents who contributed their time to participating in the consultation, including*:

Aberdeen Standard Investments; Aegon Asset Management; AFSCME; Alecta; Anglo American; AP3; AP4; Ario Advisory; ACCR; ACF; Australian Democracy Network; Aviva; AXA Investment Managers; BASF; Bayer; BHP; Boston Trust Walden; BP; Brunel Pension Partnership; CalPERS; Canada Corporate Pension Plan; Carnstone Partners; Centrica; CFM; Church Commissioners; Clayton Hirst; CLG Europe; ClientEarth; DDCAP Group; Domini Impact Investments; Ecube Investment Advisors; Environmental Defense Fund; Engagement International; ENGIE; Ethos Foundation; Federated Hermes International; Future Super; Hannon Armstrong; HESTA; Human Rights Law Centre; Iberdrola; IGCC; Just Share; Karina Litvack; LGPS Central; Maitri Asset Management; Mercy Investment Services; Nest Corporation; Nestle; Öhman; Public Citizen; Regnan; REPSOL; Robeco; SHARE; ShareAction; Shell International; Shift; Skandia; Standard Bank; Sustainalytics; The Australian Greens; The B Team; The Sunrise Project; The Swedish Export Credit Agency (EKN); Transparency International UK; Trusteam Finance; Union Investment; Union of Concerned Scientists; Unitarian Universalist Association; Universal Owner; Volkswagen; Wespah Benefits & Investments; WHEB Asset Management; World Resources Institute.

** Note: Some respondents preferred not to be listed. No assumptions should be drawn between those listed & the aggregate views expressed in this document.*

In addition, we appreciate the support provided to this project by the advisory group, which features: AP7; BNP Paribas AM; CoE Pensions Board; AIGCC; Ceres; Chronos; IGCC; IIGCC; Influence Map; London School of Economics; PRI

